

SENATE BILL 1118

By Crowe

AN ACT to amend Tennessee Code Annotated, Title 57,
Chapter 5, relative to retail beer sales.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 57, Chapter 5, Part 1, is amended by adding the following as a new section:

(a) For purposes of this part, "cost to the retailer" means the replacement cost of beer to the retailer at the time of sale less any legitimate trade discounts, but exclusive of cash discounts for prompt payment, plus a mark-up amounting to not less than the minimum cost of transportation, stocking, and shelving.

(b) It is unlawful for any retailer to advertise, offer to sell, or sell at retail any beer as defined in § 57-5-101 at less than five percent (5%) below cost to the retailer. A violation of this subsection (b) is a Class C misdemeanor.

(c) A person damaged, or who is threatened with loss or damage, because of a violation of this section may seek an injunction in a court of competent jurisdiction to enjoin a violation of this section.

(d) The department of revenue, through the commissioner, shall administer and enforce this section. In addition to the remedies provided in subsections (b) and (c), a violator is subject to the following:

- (1) For an initial violation, a fine of two hundred fifty dollars (\$250).
- (2) For a second violation, a fine of five hundred dollars (\$500).
- (3) For any subsequent violation, a fine of one thousand dollars (\$1,000).

SECTION 2. This act shall take effect July 1, 2019, the public welfare requiring it.